

**TRANSPORTATION AUTHORITY OF MARIN (TAM)
EXECUTIVE COMMITTEE MEETING
SEPTEMBER 14, 2005**

Commissioner members present: Steve Kinsey, Chair, Marin County Board of Supervisors
Al Boro, Vice-Chair, City of San Rafael
Alice Fredericks, Town of Tiburon
Joan Lundstrom, City of Larkspur
Lew Tremaine, Town of Fairfax
Barbara Thornton, Alternate, Town of San Anselmo

Commissioner members absent: Cynthia Murray, Marin County Board of Supervisors

Staff members present: Dianne Steinhauser, TAM Executive Director
Craig Tackabery, Assistant Director
Kathleen Booth, Recording Secretary
Nolte consultant team

Chair Kinsey called the meeting to order at 2:20 p.m.

1. Approval of Minutes from August 10, 2005 Meetings

The minutes from August 10, 2005 were approved without revision.

Chair Kinsey reported the following items:

- Chair Kinsey thanked staff for the good work they did to secure STIP and TCRP money.
- MTC is going through the strategic planning process now brought on by the passage of legislation that transfers the full responsibility for the financing and seismic work to MTC. MTC will be adding 28 positions. There will be an effort to shift some responsibility that currently MTC is taking on to different partners, which could include CMAs. We can expect our resources and responsibilities to grow.
- With a \$300,000 grant from Caltrans, an 18-month evaluation has been launched on Hot-Lane studies. The Marin-Sonoma corridor is included.
- Work is underway now for a Community Based Transportation Planning effort in Marin City. A similar effort has been underway in the Canal district of San Rafael.
- The Nonmotorized Transportation Demonstration Project scope of activities is expected to go to the Board of Supervisors at its October 18, 2005 meeting. TAM will be a prominent member in an advisory capacity to the County in their efforts. The Federal government is expected to have their interim guidelines for the program available in November 2005, when the first grants may be available. The Demo Project will be coordinated through the counties by working from the adopted bicycle pedestrian master plan. County Public Works will be involved in defining criteria and selecting the kind of projects to be worked on. The key focus of the Nonmotorized Transportation Demonstration Project is on achieving mode shift.

2. Executive Director's Report

Executive Director Dianne Steinhauser talked about her upcoming near term goals for TAM. She plans to bring to the Board, by November at the latest, a revised final staffing plan that takes into consideration the revenues that will be available in the next budget year, FY06-07. Steinhauser has begun to finalize a space needs assessment under the guidance of the County Capital Engineering group. She will begin work with County Real Estate soon after to locate available office space for lease. Steinhauser stated that she has immersed herself into the Caltrans 101 Gap Closure project, as well as the development of the Strategic Plan. She emphasized her commitment to making sure TAM revenues are well managed. She stated staff is awaiting the Short Range Transit Plan to come out from the Marin County Transit District to determine how it will affect bus service and our sales tax usage. She thanked Craig Tackabery for his great work and help in getting her up to speed on TAM issues and efforts.

Assistant Director Craig Tackabery reported TAM had sent out the first Call for Projects for the TLC/HIP Program. The first TLC/HIP program workshop is happening today, with a number of local agency staff participating. He distributed the Call for Projects and guidelines, noting they were also available on the TAM website.

3. TAM Website Concepts

Executive Director Steinhauser introduced Felicia Mowll and Ben Strumwasser of CirclePoint who lead the Website discussion.. They presented examples of other agency websites and discussed features of those sites. They distributed handouts exhibiting an updated TAM website and asked for feedback.

Commissioner Lundstrom suggested we should keep the reference to Measure A and what it means. We should not refer the website to private advocacy groups but to government agencies. Rocky Birdsey suggested the Archives link, Site Map and Send a Comment be larger font. Chair Kinsey agreed. The Committee liked the "Did You Know?" feature in the lower left corner of each page, which exhibits a different fact about TAM for each page pulled up.

Jerry Kay did a presentation of webcasting. He stated it is not broadcast television, but webcasting of a governmental meeting.

Commissioner Lundstrom questioned whether webcasting might change the character of the meeting. Jerry Kay responded that people entering the chamber see no lights or cameras and the equipment is unobtrusive. Combined with wide-angle shots of the Board activity, the webcasting had not triggered any change in the character of the Board of Supervisor meetings since it was instituted.

Chair Kinsey stated he would be OK with webcasting at the Civic Center, but that if there is a chance that Board meetings move to a new facility, we may want to look at the costs of installing webcasting before we start the precedent here. It was mentioned that start-up equipment costs were approximately \$24,000.

Executive Director Steinhauser asked Jerry Kay about the costs of integrating the agenda and agenda items during the webcasting. Jerry responded there are three individuals who take care of the web functions, as well as a dedicated, trained staff person to integrate the minutes with the video. There is an additional expense for this. Another way is to place an agenda on the page and give people basic benchmarks as to where things occur. This may be a more cost-effective option.

Chair Kinsey stated there is strong interest in webcasting, but questioned the cost issue of linking up to agendas.

Executive Director Steinhauser reported that next steps are getting cost estimates on interfacing the agenda and written material , determining if TAM wants to pursue that option. She stated that TAM staff are conducting a first quarter review of our budget versus actuals, and once that is complete, staff will bring an action item back to the Board , with attention to available funding for the webcasting effort.

4. Administrative Set-Up

Executive Director Steinhauser reported staff is continuing to work on the establishment of the agency, with focus on a permanent space and hiring of permanent staff. TAM staff is continuing pursuit of its own PERS retirement contract and benefits package Steinhauser will be bringing a comparative analysis of benefits managed directly by TAM versus an expansion of TAM's contractual relation with LGS to provide the human resources and benefit needs of additional staff will be brought to the Executive Committee for consideration later this Fall.

She reported she has started the process of accessing space needs and will work with County Real Estate to determine available real estate. TAM Chair Steve Kinsey offered support in determining an appropriate office location. She will work with Carmen Clark to finalize job specifications and to bring recommended salary ranges and benefit package options back to the Exec Committee no later than November.

5. Strategic Plan Process – Policy Issues

Executive Director Steinhauser began the discussion by stating that individual financial aspects of the Strategic Plan would continue to be finalized, leading up to the Revenue and Expenditure Element of the Plan, to be brought to the Board for consideration in Early Spring. Steinhauser introduced Trudy Presser of Nolte Associates to walk through the recommendations to be discussed at today's meeting:

Attachment A: Question 2 – \$30 M Bond Issue

In July, the Executive Committee concurred with the draft response that \$25 M of the \$30 M bond assumed in the Sales Tax Expenditure Plan is dedicated to the 101 Gap Closure Project (Question 2.a, Part 1). The Committee also concurred with the draft response that the Authority should retain Measure A “off the top” funds in an amount sufficient to adequately secure anticipated debt financing plus anticipated issuance costs (Question 2.b).

Staff discussed the need to retain all available funding dedicated to the Hwy 101 Gap Closure project until upcoming milestones had passed that could trigger the need for additional funds. The next major milestone is the bid opening pending for Segment 3, scheduled for early December 2005. Recent funding of Segment 3 by the CTC has not eliminated the need for the Measure A Gap Closure funding if bids come in high. The last major Segment, Segment 4, will be advertised in September 2006, with bids to be opened in late 2006, another critical upcoming milestone. The Exec Committee concurred that funding for the Gap Closure should be retained until it is certain that the project does not need the funds.

It was mentioned that if TAM does not need to bond for Hwy 101 project funding needs, then perhaps that bonding capacity could be utilized on other projects. Vice Chair Boro stated that bonding can be expensive and questioned the need for bonding on other projects. Commission Lundstrom agreed that unless there is a compelling reason, bonding should not be pursued. The Committee concurred that bonding should only be considered for an urgent and compelling reason.

Attachment A: Question 4 – Reserve Fund

In July the Executive Committee considered the staff recommendation to set aside 5 percent of the net sales tax revenues annually for the first 5 years of the plan as a reserve fund. The reserve fund was discussed in the context of how the Authority should plan for and manage potential fluctuations in sales tax revenue. In this context, a conservative sales tax forecast was recommended, the size and duration of the reserve fund was discussed, and the need for project sponsors to have contingencies/reserves in their program or project budgets was discussed. It was requested that the impacts be assessed of establishing the reserve fund at 10 percent, the full amount allowed under the Measure A Expenditure Plan.

The Committee reviewed the difference between a 5 percent reserve fund and a 10 percent reserve fund. Essentially, a total of \$2 million per year would be put into the reserve fund using the maximum 10% reserve amount, compared to the \$1 million per year that would be put into the reserve fund using a 5% annual set aside. The major impact of using the 10% reserve amount versus the 5% reserve amount is on the Transit Strategy, where approximately \$550,000 less would be available annually to that strategy. Over the five-year period recommended for the reserve, this would amount to about \$2.75 million that would not be available for allocation to the Transit Strategy.

Given that the establishment and funding of a reserve account is only one mechanism TAM will use to address fluctuations in sales tax revenue, and since a conservative sales tax forecast is used for financial planning purposes, staff recommended that the Executive Committee determine that a 5 percent reserve is adequate at this time. The Exec Committee concurred with this recommendation. They also recommended that if funds were remaining in any given strategy or substrategy after immediate project or program needs were met, those funds should be kept in that strategy's or substrategy's reserve to allow for future project or program needs.

Attachment A: Question 7 – Interest

In August, the Executive Committee considered staff's draft response that interest should be accrued to the substrategies, if a fund balance exists. Staff requested the Committee revisit this response and consider an alternative course of action.

Executive Director Steinhauser reiterated that the Expenditure Plan required that any interest income be spent on transportation elements within the Expenditure Plan. The Plan is not specific as to the assignment of interest to or within any category of activity. Steinhauser recommended that interest income not be assigned back to the strategy or substrategy generating it but rather be allocated upon staff's recommendation at the discretion of the Board as long as it is spent on eligible activities within the Expenditure Plan. After discussion by the Committee, it was agreed that interest would be accumulated by strategy, and accounted for by the strategy or substrategy generating it, but the Board had discretion to allocate it according to need, either within or outside the strategy generating it.

6. Discussion of Upcoming Joint Meeting with the Countywide Planning Agency Regarding the Countywide Planning Agency's Role, Scope, and Organization Structure

Executive Director Steinhauser introduced Alex Hinds and Michele Rodriguez . She acknowledged Commission McGlashan's presence to discuss the Countywide Planning Agency.

Alex Hinds discussed the staff report. When TAM was formed, the Congestion Management Agency duties were assigned to TAM, but the remaining functions of the Countywide Planning Agency (CWPA) were not assigned a home. Recently, representatives from the League of Women's Voters met with Commissioner McGlashan and County staff to discuss their support for establishing a process to evaluate, update, and redefine the Countywide Planning Agency. The draft Countywide Plan proposes to update and possibly expand the duties of the CWPA. Questions in the staff report were in preparation for the joint CWPA and TAM meeting on September 22, 2005. The Executive Committee was asked whether to support establishing a "Blue Ribbon" Committee to evaluate and make recommendations regarding the future of the CWPA.

Commissioner McGlashan emphasized the opportunity for individual jurisdictions to share information on critical planning issues, thereby enabling a more thorough consensus driven and cost-effective mechanism for addressing these issues. Jurisdictions could learn much from each other if given a forum to co-develop solutions to the planning challenges they face.

There was discussion regarding the establishment of a Blue Ribbon Committee. Vice Chair Boro stated such a group must have a defined purpose, goals, objectives, and guidelines, with a definitive timeline upon which to develop recommendations. The Exec Committee recognized that it would be best to have an ad hoc committee of the Board meet first to establish the need for a Blue Ribbon Committee. This first level of effort could include City Manager representation and/or City Planning representation.

Vice Chair Boro moved and Commissioner Lundstrom seconded a recommendation to create an ad hoc committee with representation from the Board as well as staff from cities and the county. The initial effort is envisioned to take up to four months, and will be staffed by County staff under the direction of Alex Hinds.. This ad hoc committee will be charged with evaluating a Blue Ribbon Committee, returning to the full Board with a recommendation if they should proceed to a second level of evaluation and development. The motion carried unanimously.

7. Open Time for Public Expression

There was no further public comment.

Chair Kinsey adjourned the Executive TAM meeting at 4:35 p.m.